


COVID-19: HELP PROTECTING YOUR BUSINESS



CHANCELLOR ANNOUNCES ADDITIONAL SUPPORT TO PROTECT BUSINESSES

The Chancellor, Rishi Sunak, yesterday announced unprecedented support for business and workers to protect against the economic emergency caused by the Coronavirus, setting out a package of temporary, timely and targeted measures to support people and business through this period of disruption.

Part of the measures include loans and guarantees to support businesses and help them manage cashflows through this uncertain time. The Chancellor will make available an initial £330 billion of guarantees – equivalent to 15% of UK GDP.

As announced, they will provide:

- a statutory sick pay relief package for SMEs
- business rates support
- grant funding for rural, retail, hospitality and leisure businesses
- the Coronavirus Business Interruption Loan Scheme to support long-term viable businesses who may need to respond to cash-flow pressures by seeking additional finance
- the HMRC Time To Pay Scheme.

As part of their business rates support package they will be providing £20 billion of grant-funding to help the most affected firms manage their cashflow by:

- giving all retail, hospitality and leisure businesses in England a 100% business rates holiday for the next 12 months
- increasing grants to small businesses eligible for Small Business Rate Relief from £3,000 to £10,000
- providing further £25,000 grants to retail, hospitality and leisure businesses operating from smaller premises, with a rateable value over £15,000 and below £51,000
- providing small business grant-funding of £10,000 for all businesses in receipt of small business rate relief or rural rate relief
- Cash grants of up to £30,000 have been allowed for small businesses depending on rateable values. The local councils know who you are as they have records of all business rates payers. The councils will set up a web page and advise on how to claim - you can also visit [HERE](#) for information

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HMRC's Time to Pay service has been expanded. This includes a new helpline 0800 0159 559 so that businesses and those who are self-employed can arrange to defer tax payments. Breathing space is therefore given to SMEs around paying taxes

One thing is clear, the relief will not be automatic, and you will need to speak with HMRC to defer any payments.

Further action will also be taken as the situation evolves, including the following measures announced:

- support for liquidity amongst large firms, with a major new scheme being launched by the Bank of England to help them bridge Coronavirus disruption to their cash flows through loans
- increasing the amount businesses can borrow through the Coronavirus Business Interruption Loan Scheme from £1.2 million to £5 million, and ensuring businesses can access the first 6 months of that finance interest-free, as the Government will cover the first 6 months of interest payments

Aside from business support above the Government have also announced:

Mortgage lenders agreeing they will support customers that are experiencing issues with their finances as a result of Covid-19, including through payment holidays of up to 3 months. This will help to give people the necessary time to recover and ensure they do not have to pay a penny towards their mortgage in the interim.

Confirmation that Government advice to avoid pubs, clubs and theatres etc. is sufficient for businesses to claim on their insurance where they have appropriate business interruption cover for pandemics in place.

To support the food industry and help provide meals for people who need to self-isolate, planning regulations will be relaxed to allow pubs and restaurants to start providing takeaways without a planning application.

Although the headline announcements have been made, we are working hard to understand the detail and how this will all work in practice. As more detail is released, we will keep you updated of any new developments and announcements as they are made by the Government.

Should you have questions or specific queries relating to the ongoing support from us, please contact us on 01753 888211 or email info@nhllp.com